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PSC ISSUES STATEMENT OF FACTORS FOR EVALUATING PROPOSALS TO ACQUIRE NORTHWESTERN ENERGY

The Montana Public Service Commission has finalized a statement of factors that it might use to evaluate any proposals to acquire NorthWestern Energy's Montana operations after the utility emerges from bankruptcy.

If there is a proposed sale or transfer of NorthWestern's Montana operations, the PSC will assert its authority to review it and approve it. The statement of factors was developed by the PSC to provide neutral, transparent and consistent information to entities that might be considering submitting a post-bankruptcy acquisition proposal to NorthWestern's new board of directors. The document is not intended to chill the advancement of any prospective purchaser of NorthWestern that can demonstrate its ability to provide adequate service at reasonable rates.

"It's very important to make clear that we are preparing for, but not predicting a transaction," said PSC Chairman Bob Rowe. "The factors listed are based on the Commission's experience over the last several years, and are consistent with the landmark agreement reached in NorthWestern's bankruptcy. This document should be valuable to NorthWestern's new board of directors, as well as to anyone interested in acquiring the company."

The PSC lists in the statement of factors the elements and characteristics that would likely be found in a superior acquisition proposal. The areas of concern covered by the document include:

- Financial strength and capability
- Energy supply
- Infrastructure
- Demonstrable Montana focus
- Utility focus
- Customer focus
- Energy utility management experience
- Effective functioning in the Montana constitutional, statutory, and regulatory framework.

The complete statement of factors for evaluating proposals to acquire NorthWestern Energy can be found on the Commission's website at <http://www.psc.state.mt.us>.

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